

LEASE AGREEMENT

BETWEEN

GAITHERSTOWNE PLAZA, L.L.C.

AND

MONTGOMERY COUNTY, MARYLAND

DATED: _____

52-2071465

Scotto Specter
Allen Hansen
703 442 0660

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LEASE AGREEMENT

This Lease ("Lease") made and executed this 5th day of June, 2001, by and between GAITHERSTOWNE PLAZA, L.L.C., having an address of c/o First Washington, 4350 East-West Highway, Suite 400, Bethesda, Maryland 20814, hereinafter referred to as "Landlord", and MONTGOMERY COUNTY, MARYLAND, 101 Monroe Street, Rockville, Maryland 20850, a body corporate and politic and a political subdivision of the State of Maryland (hereinafter referred to as the "County"). Landlord and the County together are the "Parties".

WITNESSETH:

That for and in consideration of the rents hereinafter reserved and the agreements and covenants herein contained, the Parties mutually agree as follows:

1. PREMISES: Landlord does hereby lease and demise unto the County, and the County hereby leases from Landlord, the entire premises at 220 North Frederick Avenue, Gaithersburg, Maryland (the "Premises"), which contains 4,259 rentable square feet ("SF") in the Gaithersburg Plaza Shopping Center (the "Shopping Center").

2. LANDLORD'S IMPROVEMENTS: Landlord shall perform only the following "Landlord's Work" as described in detail in attached Exhibit "A" Work Agreement. Landlord shall substantially complete Landlord's Work on or before June 15, 2001, the "Delivery Date". *DATE of Possession 6/19/01*

3. TERM: The Lease "Term" is eight (8) years and shall commence on the "Delivery Date". The "Ending Date" of the Lease "Term" is June 14, 2009.

Landlord shall not be liable for any late delivery of the Premises caused by any events or persons not under Landlord's direct control, including, but not limited to: any permit, utility, or fire department official; material shortage; labor unrest; utility stoppage; holdover by existing tenant; or act of God. Rent (hereinafter defined) shall be due hereunder from and after the Delivery Date.

4. COUNTY'S OPTION TO EXTEND TERM: In accordance with this Lease, the County may extend the Term for one (1) FIVE (5) year period (the "Extension Term"). If the conditions listed in Section 4.(a) are not met, then the County's option to extend shall be automatically void.

A. Requirements to Extend: If (i) the County is not in default, (ii) the Lease is in full force and effect, (iii) the Lease has not been assigned and the Premises has not been sublet, and (iv) at least THREE months but not more than SIX months before the end of the Term, the County gives Landlord written notice that the County will extend, then the Term shall be extended by the Extension Term and Base Rent shall be as set for in Section 4. (b) below. TIME IS OF THE ESSENCE FOR THE COUNTY'S NOTICE TO LANDLORD.

B. Extension Term Base Rent: The Base Rent of the Extension Term for Lease Year #9 will be an annual Base Rent of \$86,323.01 paid in equal monthly installments of \$7,193.58; Lease Year #10 will be an annual Base Rent of \$88,912.70 paid in equal monthly installments of \$7,409.39; Lease Year #11 will be an annual Base Rent of \$91,580.08 paid in equal monthly installments of \$7,631.67; Lease Year #12 will be an annual Base Rent of \$94,327.48 paid in equal monthly installments of \$7,860.62; and Lease Year #13 will be an annual Base Rent of \$97,157.30 paid in equal monthly installments of \$8,096.44.

C. Other Provisions: Unless noted otherwise, all other Lease terms and conditions, including but not limited to the payment of Additional Rent, shall remain the same during the Extension Term.

5. RENT:

A. Payment: The County shall pay to Landlord all Rent in United States currency, without any deduction, set-off, notice, demand, and unless stated otherwise, billing. The County shall pay all Monthly Base Rent Installments (defined below) in advance by the first day of each calendar month. If the Delivery Date is a day other than the first day of a calendar month, then, on the Delivery Date, the County shall pay a prorated monthly installment of Base Rent at the rate of one thirtieth (1/30th) of such monthly installment for the actual number of days remaining in such month. Landlord shall have the right to require Base Rent to be paid by cashiers or certified funds if the County shall be late in the payment of any monthly installment of Base Rent, or if any check tendered by the County shall be dishonored, more than two (2) times during any twelve (12) month period.

All money shall be paid to:

Gaitherstowne Plaza, L.L.C.
c/o First Washington
4350 East-West Highway, Suite 400
Bethesda, Maryland 20814

or any other address or party as Landlord may direct in writing.

B. Monthly Base Rent Installments: The County shall pay total "Base Rent" over the Term, of \$605,960.35 (exclusive of "Additional Rent"), triple net, in "Monthly Base Rent Installments" according to the following "Initial Term Base Rent Schedule".

Period	Period Starting Date	No. of Months	Monthly Base Rent Installment \$	Period Base Rent \$
Lease Year 1	6/15/01	12	\$5,678.67	\$68,144.04
Lease Year 2	6/15/02	12	\$5,849.03	\$70,188.36
Lease Year 3	6/15/03	12	\$6,024.50	\$72,294.01
Lease Year 4	6/15/04	12	\$6,205.24	\$74,462.88
Lease Year 5	6/15/05	12	\$6,391.40	\$76,696.80
Lease Year 6	6/15/06	12	\$6,583.15	\$78,997.79
Lease Year 7	6/15/07	12	\$6,780.64	\$81,367.72
Lease Year 8	6/15/08	12	\$6,984.06	\$83,808.75
Total Base Rent Only				\$605,960.35

The term "Lease Year" means that period beginning on the Delivery Date and terminating on the last day of the twelfth (12th) full calendar month thereafter, and each succeeding period of twelve (12) full calendar months during the entire Term.

C. Additional Rent: All money due Landlord other than Base Rent is "Additional Rent". Base Rent and Additional Rent are hereinafter referred to collectively as "Rent". Unless stated otherwise, the County shall pay Additional Rent within 10 days of receipt and acceptance of invoice. Landlord's remedies for the non-payment of Additional Rent are the same as for Base Rent.

Notwithstanding the foregoing, Landlord will estimate the amount of Real Estate Taxes (hereinafter defined) and "common area maintenance charges" (hereinafter defined) due from the County for each Lease Year and advise the County of such annual estimate on or before the commencement of each Lease Year. The County shall make monthly installment payments of the County's Share (defined below) based on Landlord's written estimate of common area maintenance charges and Real Estate Taxes for such Lease Year. Commencing with the first monthly installment of Base Rent payable following the receipt of such estimate by the County and continuing on the first day of each month thereafter, the County shall pay to Landlord one twelfth (1/12th) of Landlord's estimate of the County's Share of common area maintenance charges and Real Estate Taxes. If for any reason such estimate is delivered after the commencement of a Lease Year, the County shall continue to make estimated monthly payments in an amount equal to the monthly payments, if any, made during the preceding Lease Year and, with the first monthly payment due after receipt of such estimate for the then current Lease Year, the County also shall pay to Landlord an amount equal to the product of (i) the number of months elapsed in such current Lease Year multiplied by (ii) the excess, if any, of the amount of each monthly payment owed for such current Lease Year over the amount of monthly payments made by the County.

Within one hundred twenty (120) days of the end of each Lease Year, Landlord shall submit a statement (the "Expense Statement") to the County proper documentation stating the County's Share of common area maintenance charges and Real Estate Taxes for the applicable period. Within thirty (30) days after the delivery of the Expense Statement, the County shall pay to Landlord any deficiency between the amount shown as the County's Share for such period and the estimated payments made by the County under this Section. The County shall be credited with any excess estimated payments against estimated payments of increases in common area maintenance charges and Real Estate Taxes for subsequent Lease Years, unless the Lease shall have expired, in which event Landlord shall refund any such excess, without interest. The County's or Landlord's liability for the final payment or refund of such increases in common area maintenance charges and Real Estate Taxes shall survive the expiration or termination of this Lease.

As used in this Lease, the term "common area maintenance charges" shall mean all the costs and expenses of every kind and nature paid or incurred by Landlord during the Term in operating, managing, cleaning, protecting, equipping, lighting, insuring, repairing, replacing and maintaining all Common Areas in the Shopping Center.

"Common Areas" as used herein shall mean all areas, space, equipment, and improvements now or hereafter existing, made available by Landlord for the common and joint use and benefit of Landlord, the County and all other tenants and occupants of the Shopping Center, and their respective employees, agents, subtenants, concessionaires, licensees, customers and other invitees. All Common Areas in the Shopping Center shall at all times be subject to the exclusive control and management of Landlord, and Landlord shall operate, manage, equip, light, repair and maintain the Common Areas for their intended purposes in such manner as Landlord shall in its sole discretion determine. Landlord may, from time to time, change the size, location, nature and use of any Common Areas and may make installations therein and move and remove same. Landlord reserves unto itself, the right at any time and from time to time to erect and maintain within the Common Areas such landscaping, decorative items, vending machines, telephones, structures designed and leased for retail sales, areas for promotional activities and the like as Landlord in its sole discretion shall deem appropriate, provided, same shall not unreasonably block or interfere with the County's means of ingress or egress to and from the Premises or unreasonably obstruct the view of the County's sign or display windows.

D. Survival: Regardless of the Ending Date or earlier end of the Term (collectively, "Term End"), the County and Landlord shall promptly and fully perform all their obligations under the Lease.

E. Deposit: The County shall NOT pay a deposit.

6. UTILITIES: The County shall pay directly to the provider for all its utilities, services, recycling services and associated equipment, including but not limited to, electricity, gas, telephone, trash removal, recycling services and dumpster, water and sewer. All utilities are separately metered.

The County shall transfer all accounts to itself as of the Delivery Date. In no event shall Landlord be liable for any interruption or failure in supply of utilities to the Premises; unless Landlord's negligent actions or omissions prevent the County from receiving the utilities.

7. MAINTENANCE OF PREMISES:

A. Landlord's Maintenance and Replacements: Following the Delivery Date, within a reasonable time after written notification from the County to Landlord, Landlord shall make all necessary maintenance, repairs, and replacements only to the following items: (1) all roof water protection, including the roof, flashing, gutters, downspouts, and roof drains; (2) all exterior masonry walls, interior columns, roof, interior concrete slabs, and all foundations; and (3) the HVAC system as provided in Section 7.D below.

B. County's Replacements: The County shall promptly perform all maintenance, repairs, and replacements to the Building not expressly included in Section 7.A above, including but not limited to: (1) storefronts, including but not limited to metal frames, glass, and sealants; (2) all doors, including but not limited to doors, door frames, door hardware, closers, door weather stripping, and glass; (3) all finishes and interior improvements, including but not limited to partitions, doors, paint, floor coverings, ceiling tiles and ceiling grids; (4) all utilities serving the Premises, from the point where the services pass through, under, or above the exterior walls of the Premises; (5) all plumbing, sprinkler, and electrical systems and equipment within the Building. The County shall keep the Building (except as otherwise provided in Section 7.A) and all equipment, fixtures and furniture in good and workman-like condition and replace all such equipment, fixtures and furniture with materials as good as or better than the existing materials.

C. HVAC: The County shall maintain the HVAC system by a service contract with a licensed HVAC contractor. This contract shall provide for at least quarterly filter replacement, cleaning and inspection by qualified service technicians. If the County fails to maintain this service contract and any component of the HVAC system fails before the end of its reasonably expected useful life, then the County shall be responsible for the pro rata cost of early replacement of the component. So long as the tenant under the Lease is the County, then the HVAC system shall be maintained by a County contractor without Landlord's consent. If the tenant is other than the County, then the HVAC system shall be maintained by a contractor reasonably approved by Landlord. The County shall maintain a minimum temperature of 60 degrees F, to prevent freezing of the plumbing systems.

D. HVAC Replacement: On the Delivery Date, Landlord shall deliver the Premises with each component of the HVAC system either new or in good working order. If a component is delivered in good working order, then Landlord shall replace the component one time, at the end of its useful life, and the County shall make all subsequent replacements. If a new component is delivered, then the County shall make all replacements. For all new components installed by Landlord, Landlord shall assign all new component warranties to the County (to the

extent assignable) and, solely at the County's expense, shall assist the County in enforcing such warranties.

E. Damage: Notwithstanding anything in this Lease to the contrary, the County shall perform all maintenance, repair, or replacement of any portion of the Building damaged by the County's or the County's Invitees (defined below) use of the Premises, or the moving of anything in or out of the Premises.

8. USE:

A. Use: The County warrants and agrees that the Premises shall be used as a retail liquor store operated by the County (the "Use"), and for no other purpose. The County shall have the right to occupy and use the Premises twenty-four (24) hours a day, seven (7) days a week in accordance with applicable law and subject to the receipt of all permits and approvals (if any).

B. Restrictions: The County and the County's employees, contractors agents, invitees, licensees, customers, clients, family members, and guests (collectively, the "County's Invitees") shall not do anything that (i) would reasonably be deemed to interfere with Landlord's or any other tenant's use and enjoyment of property contiguous to the Premises, (ii) annoys other tenants or visitors of such contiguous properties, or Landlord, or (iii) is hazardous to others, disorderly, obscene, or pornographic. Animals are prohibited on the Premises, except for (i) service animals for the disabled with their user, and (ii) working active duty dogs with their handlers.

C. Trash: The County shall (i) keep the Premises clean, (ii) store trash in appropriate containers at a location approved in advance by Landlord, (iii) hire trash removal and recycling contractors, and (iv) promptly clean the Premises of any debris and trash related to the County's use and occupancy of the Premises.

D. Outside: The County shall not (i) store anything outside the Premises, or (ii) change the appearance of the Premises or the building in which the Premises is located (the "Building") in any way.

E. Improvements: Except for low-voltage electric wiring, including but not limited to phone and security systems, and minor interior decorating such as painting, the County shall not alter the Premises in any way without the prior written consent of Landlord, which consent shall not be unreasonably conditioned, delayed, or withheld with respect to the proposed alterations or repairs that are not visible from the exterior of the Premises, do not affect the Building's structure, and do not impair the building's mechanical, electrical, plumbing or HVAC systems so long as Tenant is not in default under this Lease and the County has allocated the necessary funds for such alterations. Any alterations or repairs made by the County shall be made (i) in a good, workmanlike, first-class and prompt manner; (ii) in accordance with plans and specifications approved in writing by Landlord; (iii) in accordance with all applicable legal requirements and the requirements of any insurance company insuring the Shopping Center or portion thereof. The County shall not install

any wallpaper.

9. COUNTY'S PRO RATA SHARE: "County's Share" shall mean a fraction, the numerator of which is the rentable square feet in the Premises 4,259 rentable square feet and the denominator of which is 71,720 rentable square feet in the Shopping Center. For purposes of Sections 5.C and 10, the term "County's Share" means 5.94 %.

10. REAL ESTATE TAXES:

A. Payment: The County agrees to pay, as Additional Rent hereunder, a sum equal to the County's Share of all Real Estate Taxes which may be levied or assessed by lawful taxing authorities against the land, buildings and all improvements appurtenant to the Building.

B. Real Estate Taxes: "Real Estate Taxes" shall be deemed to mean all city, county, town and village taxes, special or general, ordinary or extraordinary, assessments, excises, levies, and other governmental charges which shall be imposed upon or become due and payable or become a lien upon the Premises, Building and appurtenant land or any part thereof, during the period of time covering this Lease, by any Federal, state, municipal, or other governmental or public authority under existing law, or practice or under any future law or practice, and costs and expenses incurred in contesting or negotiating an adjustment thereof (including reasonable attorneys' fees). The Real Estate Taxes for any Lease Year shall mean the real estate taxes actually paid or due to be paid during such Lease Year, whether or not such Real Estate Taxes related to such Lease Year or a fiscal year.

C. Evidence: A copy of a tax bill or assessment bill from the taxing or assessing authority that is then submitted by Landlord to County shall at all times be sufficient evidence of the amount of Real Estate Taxes assessed or levied to which such bill relates. Landlord's and the County's obligations under this Section 10 shall survive the expiration of the Term of this Lease for any obligations which accrued during the Term.

D. Future Act: In the event that any present or future enactment of any state or political subdivision thereof or any governmental authority having jurisdiction thereover: (i) imposes a tax and/or assessment of any kind or nature upon, against or with respect to the rents payable by the County or with respect to the Landlord's (or lessor's) ownership of the land and improvements comprising the Shopping Center, either by way of substitution for all or any part of the taxes and assessments levied or assessed against such land and such improvements, or in addition thereto; and/or (ii) imposes a tax or surcharge of any kind or nature, upon, against or with respect to the parking areas or the number of parking spaces in or around the Shopping Center, such tax, assessment and/or surcharge shall be deemed to constitute Real Estate Taxes for the purpose of this Sections 10 and 5.C, and the County shall be obligated to pay its pro rata share of all said taxes and/or assessments.

11. ASSIGNMENT AND SUBLEASING:

A. The County shall not have the right to transfer possession or occupancy of the Premises, nor sublet or assign this Lease to any person or persons without the prior written consent of Landlord which may be withheld in Landlord's sole discretion. Notwithstanding the foregoing, so long as the County is not in default under this Lease, Landlord's consent to a proposed sublease or assignment shall not be unreasonably or unduly delayed, conditioned or withheld provided that the following conditions are satisfied:

(i) Upon delivery of the County's notice of intent to assign this Lease, Landlord shall receive for its review and approval reasonably detailed information as to the character, reputation and business experience of the proposed assignee or subtenant and financial information and bank references on the proposed assignee or subtenant (including a financial statement certified as being true and correct by the chief financial officer of the proposed assignee or subtenant).

(ii) The assignee or subtenant shall agree to abide by all of the terms and conditions of this Lease, including without limitation, the use provisions of this Lease.

(iii) The proposed assignment or sublease must be approved in writing by any mortgagee of Landlord having the right of approval thereof.

(iv) The form and content of the assignment or sublet documents shall be acceptable to Landlord and its counsel.

B. The County agrees not to market or advertise to sublet the Premises or assign this Lease without the prior written consent of Landlord as to all advertising, marketing and promotional materials. In the event that any assignee or subtenant pays to the County any amounts in excess of the Base Rent and Additional Rent then payable hereunder, or pro rata portion thereof on a square footage basis for any portion of the Premises, the County shall promptly pay 50% of such excess to Landlord as and when received by the County. If the County requests Landlord's consent to assign this Lease or sublet more than 50% of the Premises, Landlord shall have the option, exercisable by written notice to the County given within 10 days after receipt of such request, to terminate this Lease as of a date specified in such notice which shall be not less than 30 or more than 60 days after the date of such notice. Any such assignment or subleasing shall not relieve the County from (i) any and all liability of the tenant under this Lease, as the County shall remain liable for all of the obligations of the tenant hereunder, or (ii) obtaining the consent in writing of Landlord to any further assignment or subleasing of all or any portion of the Premises.

12. PROPERTY DAMAGE AND LIABILITY INSURANCE:

A. Self-Insurance: The County shall have the right to self-insure. The County is a member of the Montgomery County Self-Insurance Program; Article 20-37 of Montgomery County Code restricts the legal defense fund to members of the Fund such as the County and does not allow for outside entities. The certificate of insurance evidences limits of insurability for commercial general liability coverage in the amounts of \$500,000 in the aggregate and \$200,000 each occurrence and \$20,000 per person, \$40,000 per accident for bodily injury and \$10,000 for property damage for automobile liability and State of Maryland statutory limits for worker's compensation. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible under the Local Government Tort Claims Act, Md. Code Ann. Cts & Jud. Process § 5-301 et seq, (1998 Repl. Vol.), as amended from time to time (the "LGTCA"). This insurance policy must be maintained continuously by the County during the full Term and during any extension of the Lease Term. The County shall deliver to Landlord a certificate of insurance evidencing the coverage above described within fifteen (15) days after the execution of this Lease.

B. Prohibited Articles: County agrees that it will not keep in or upon the Premises any article, which may be prohibited by the standard form of fire or hazard insurance policy. In the event the County's use or occupancy of the Premises causes any increase in the insurance premiums for the Premises or any part thereof, the County shall pay the additional premiums as they become due. The County has the right to review the Landlord's policy(ies) premium and rates.

C. Indemnification By the County: The County hereby indemnifies the Landlord against any and all claims, arising solely out of the negligence or wrongful acts of the County in using the Leased Premises or the exterior of the Building. This indemnification is subject to the notice provisions and the liability and damages limitations stated in the LGTCA. This indemnification shall not be considered to be a waiver of governmental immunity and is not intended to create any rights or causes of action in third parties. The County shall not, be liable for any damage or injury occasioned by the acts or omissions of Landlord or its agents, or Landlord's failure to comply with its obligations hereunder.

D. Landlord Indemnity: Landlord agrees to hold harmless and hereby indemnifies the County, from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property, arising from or out of any use by Landlord of the Building, to the extent caused by any act or omission of Landlord, its agents, contractors, or employees, excepting claims arising out of the acts or omissions of the County or the County's invitees.

E. County Risk: All the furnishings, fixtures, equipment, effects and property of every kind, nature and description belonging to the County or to any person claiming by, through

or under the County which, during the continuance of this Lease or any occupancy of the Premises by the County or anyone claiming under the County, shall be at the sole risk of the County, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or busting of water pipes, steam pipes, or other pipes, by theft, or from any other cause, no part of said loss or damage is to be charged to or to be borne by Landlord unless due to the negligence of Landlord or Landlord's failure to comply with the law or with its obligations hereunder.

13. GOOD ORDER AND CONDITION: The County agrees to maintain the Premises in good order and condition, and surrender the same at the expiration or other termination hereof in good order and condition, except for usual wear and tear and damage by fire, storm, public enemies and any act of God.

14. FURNITURE AND FIXTURES: The County shall have the privilege of installing any furniture and trade fixtures necessary in the conduct of the County's business, and the same shall remain the property of the County. The County shall remove all such trade fixtures and equipment at the expiration of the Lease. In the event any damage is done to the Premises in the installation or removal of said furniture and trade fixtures, the County will immediately make such repairs as are necessary to restore the Premises to their original condition, or promptly reimburse Landlord for the costs of such repairs.

15. LIENS: The County expressly covenants and agrees that it will, during the Term hereof, promptly remove or release, by the posting of a bond or otherwise, as required or permitted by law, any lien attached to the Premises or the Building by reason of any act or omission on the part of the County.

16. SIGNAGE: The County shall place no signs, awnings or curtains on any part of the exterior of the Premises, nor paint any brick or stone work, cornice work, mill work or iron work on the front of the Shopping Center without the written consent of Landlord or its agent first had and obtained. Landlord's consent shall not be unreasonably delayed, conditioned, or withheld provided that the County's signage complies with applicable code requirements and conforms with Landlord's signage criteria. All of the County's signs shall be: (i) installed after the County has obtained, at the County's sole cost and expense, all permits and licenses required therefor, and delivered copies thereof to Landlord; and (ii) at the County's sole cost and expense, installed, maintained, repaired and replaced in a first-class manner.

17. SIDEWALKS: The County shall maintain the sidewalks immediately abutting the Premises swept and free from trash, snow and ice.

18. LANDLORD'S INSPECTION RIGHTS: Landlord shall have the right at all reasonable times, after contacting the County with 24 hours notice, to enter upon the Premises for the purpose of inspecting same, making necessary repairs or alterations, or showing same to potential purchasers. No prior notice is required in an emergency.

Landlord shall have the further right during the last twelve (12) months of the Term to bring prospective tenants into the Premises for the purpose of showing same. Landlord shall make reasonable efforts to minimize interference or disruption to the County.

19. GLASS PANE REPLACEMENT: The County, at the County's sole cost and expense, agrees to promptly replace any window or door glass pane that is broken, chipped or cracked after the Delivery Date, except those resulting from structural failure or Landlord's act or omission. Should the County fail to effect a replacement within a reasonable period of time, Landlord may perform this work and the County shall reimburse Landlord for the cost thereof, as Additional Rent.

20. DEFAULT:

A. By the County: In the event that the County, or if the County's assigns shall fail or neglect to keep and perform each and every one of the terms of this Lease, and (i) as to any failure to pay Rent when due, such failure continues for ten (10) calendar days after any such payment's due date, or (ii) such failure or neglect continues for more than thirty (30) days (or such period as may reasonably be required to correct the default with exercise of due diligence) after written notice to the County from Landlord specifying the default, then at the option of Landlord, Landlord and its assigns may terminate this Lease and/or proceed to recover possession under the laws of the State of Maryland (with or without terminating this Lease). Landlord may also pursue any rights and remedies available for such default under the laws of the State of Maryland.

B. By Landlord: In the event that Landlord or its assigns shall fail or neglect to keep and perform each and every one of the covenants, conditions, and agreements contained herein, and such failure or neglect is not remedied within thirty (30) days (or such period as either otherwise provided herein on as may reasonably be required to correct the default with exercise of due diligence) after written notice from the County or its assigns specifying the default, then the County or its assigns, at the County's option, may pursue any and all legal and equitable remedies available.

C. Uncured Default: No default as hereinbefore provided shall be deemed complete unless at the time Landlord or the County seeks to take any action based upon such alleged default the same shall remain uncured by the defaulting party.

21. CONDEMNATION: Landlord hereby agrees to deliver to the County, within a reasonable time period, copies of any notice of condemnation proceeding(s) relating to the Premises or the Building. In the event that all or a substantial portion (hereinafter defined) of the Premises, or more than twenty-five percent (25%) of the Building of which the Premises are a part is taken or condemned for public use or purpose by any competent authority, the County shall have no claim against Landlord and shall not have any claim or right to any portion of the amount that may be awarded as damages or paid as a result of any

such condemnation. Upon such condemnation or taking, the term of this Lease shall cease and terminate from the date of such governmental taking or condemnation and the County shall have no claim against the Landlord for the value of any unexpired term of this Lease. The County shall be entitled to claim, prove and receive in the condemnation proceedings such awards as may be allowed for relocation expenses and for fixtures and other equipment installed by the County which shall not, under the terms of this Lease, be or become the property of Landlord at the termination hereof, but only if such an award is made by condemning authorities in addition to and stated separately from the award made for the land and the Building or parts thereof so taken. For purposes of this Section 21, a substantial portion of the Premises shall be considered to have taken if 25% or more of the rentable area of the Premises is taken or unusable as a result of such condemnation action.

22. DESTRUCTION OF PREMISES: In the event of damage or destruction of the Premises by fire or any other casualty, this Lease shall not be terminated, but the Premises shall be promptly and fully repaired and restored as the case may be by Landlord to the extent of Landlord's insurance proceeds provided such repair and or restoration returns the Premises to substantially the condition prior to such damage or destruction. Due allowance, however, shall be given for reasonable time required for adjustment and settlement of insurance claims, and for such other delays as may result from government restrictions, and controls on construction, if any, and for strikes, national emergencies and other conditions beyond the control of Landlord. It is agreed that in the event of damage or destruction, this Lease shall continue in full force and effect, except for abatement of rent as provided herein. If the condition is such as to make the entire Premises Untenantable, then the rental which the County is obligated to pay hereunder shall abate as of the date of the occurrence until the Premises have been fully restored by Landlord. Any unpaid or prepaid rent for the month in which said condition occurs shall be prorated and credited or paid to the appropriate party. If the Premises are partially damaged or destroyed, then during the period that the County is deprived of the use of the damaged portion of said Premises, the County shall be required to pay rental prorated to reflect that portion of the Premises which continues to be "Tenantable" and appropriate for the County's Use. Landlord will proceed at its expense and as expeditiously as may be practicable to repair the damage. Notwithstanding any of the foregoing, in the event of substantial damage or destruction, and Landlord should decide not to repair or restore the Premises or the Building, in which event and at Landlord's sole option, Landlord may terminate this Lease forthwith, by giving the County a written notice of its intention to terminate within sixty (60) days after the date of the casualty. No compensation, or claim, or diminution of rent other than as described above will be allowed or paid, by Landlord, by reason of inconvenience, annoyance, or injury to business, arising from the necessity of repairing the Premises or any portion of the Building of which they are a part.

23. SUBORDINATION: Landlord shall have the absolute right to encumber the Premises and the Lease, at the sole option of Landlord and without any further writing signed

or to be signed by the County, shall be subordinate to such encumbrance or encumbrances. The County agrees to sign acceptable and appropriate papers for subordination within fifteen (15) days after Landlord's written request, provided such execution shall be upon the express condition that the Lease shall be recognized by the holder of the encumbrance and the rights of the County shall remain in full force and effect during the Term or any extension thereof so long as the County is not in default under the Lease. In the event of a sale or transfer of the title to the aforesaid land and Premises, any transferee shall be entitled to have this Lease subordinated to the lien and effect of any first deed of trust or mortgage to secure purchase money. The County agrees to execute subordination documents, acceptable to the County, and as permitted by Law, required by such purchaser, subject to the reservations recited in this paragraph.

24. ESTOPPEL CERTIFICATES:

A. Delivery. The County agrees that upon not less than twenty (20) days prior written notice by Landlord, to execute, acknowledge and deliver to Landlord a statement in writing: (i) certifying that this Lease is unmodified and in full force and effect (or if there have been modifications the nature of same); (ii) stating the dates to which the Base Rent and Additional Rent have been paid by the County; (iii) stating whether or not to the best knowledge of the County, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default of which the County may have knowledge, and (iv) stating the address to which notice to the County should be sent. Any such statement delivered pursuant hereto may be relied upon by an owner of the Building, any prospective purchaser of the Building, any mortgagee or prospective mortgagee of the building, or of Landlord's interest therein, or any prospective assignee of any such mortgage.

25. NO RECORDATION: Landlord and the County agree that this Lease shall not be recorded.

26. SURRENDER AND HOLDING OVER: The County, upon expiration or termination of this Lease, either by lapse of time or otherwise, shall peaceably surrender to Landlord the Premises in broom clean condition and in good repair. In the event that the County shall hold over after the expiration of this Lease, and any renewals thereof without the consent of Landlord, the tenancy created by such holding over shall be a month-to-month tenancy only, but in all other respects shall be governed by the terms of this Lease, provided, however, that in all cases a thirty (30) day notice shall be required to terminate the tenancy created by such holdover. If the County shall hold over after the expiration of this Lease, and any renewals thereof, it shall, in the absence of any agreement to the contrary, be a month-to-month tenancy at one and one-quarter the monthly rate in effect during the last month of the expiring Term plus Additional Rent. Should the County hold over after the expiration of this Lease, and any renewals thereof, after first obtaining Landlord's written consent, the

County's tenancy shall be deemed to be upon a month-to-month basis at one hundred and three percent (103.00%) of the monthly Base Rent paid during the last lease year of the Term.

27. STATUTORY PROVISIONS: During the Term and any extensions thereof, the Parties will comply with, observe and perform all of the requirements of all applicable Federal, State, county and local statutes, ordinances, rules, orders and regulations in effect.

28. LANDLORD NOT A PARTNER: It is expressly understood that Landlord shall not be construed or held to be a partner or associate of the County in the conduct of the County's business; it being expressly understood that the relationship between the Parties is and shall remain at all times that of landlord and tenant.

29. FIRE EXTINGUISHERS: The County shall be obligated to supply and maintain at its own cost and expense any fire extinguishers or other fire prevention equipment required by law, rules, orders, ordinances, regulations and/or recommendations of the City, County, State, Rating Bureau or Underwriters Association having jurisdiction in the area in which the Premises are located.

30. LANDLORD'S TITLE AND COVENANT OF QUIET ENJOYMENT: As of the date hereof, Landlord covenants that it has full right and power to execute and perform this Lease. As of the Delivery Date, Landlord shall put the County into complete and exclusive possession of the Premises. Provided that the County is not in default under this Lease, Landlord further covenants that the County, on paying the rents reserved herein and performing the covenants and agreements hereof, shall peaceably and quietly have, hold and enjoy the Premises and all rights, easements, appurtenances and privileges thereunto belonging or in any way appertaining, during the full term of this Lease, and any extension or renewals hereof, subject to the rights of mortgagees, without molestation or hindrance by Landlord or any party claiming through or under Landlord.

31. FORCE MAJEURE: Anything in this Lease to the contrary notwithstanding, providing such cause is not due to the willful act or negligence of either party, neither of the Parties shall be deemed in default with respect to the performance of any of the terms, covenants, and conditions of this Lease if same shall be due to any strike, lockout, civil commotion, warlike operation, invasion, rebellion, hostilities, military or upsurge power, sabotage, governmental regulations or controls, inability to obtain any material, service through Act of God or other cause beyond the control of either party.

32. GENERAL PROVISIONS:

A. Entire Agreement: It is further understood and agreed that this instrument contains the entire agreement between the Parties and shall not be modified in any manner except by an instrument in writing duly executed by the Parties hereto.

B. Rights and Remedies: In addition to any and all rights and remedies specifically mentioned in this Lease, Landlord and the County shall have all rights and remedies granted by law or in equity. Resort to one remedy shall not be construed as a waiver of any other remedy. Failure by Landlord or the County to resort to any or all of their respective rights or remedies shall not be considered to be a waiver of such rights or remedies, nor to be acquiescence of any party in any action or default.

C. Governing Law: The provision of this Lease shall be governed by the laws of the State of Maryland. If any term of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such term shall not be affected thereby.

33. NON-DISCRIMINATION: Landlord agrees to comply with the non-discrimination in employment policies in County contracts as required by Section 11B-33 and Section 27-19 of the Montgomery County Code 1994, as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination. Landlord assures the County that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of race, color, religious creed, sex, marital status, national origin, ancestry, disability or sexual orientation.

34. NON-APPROPRIATION: This Lease is subject to the annual appropriation of funds by the Montgomery County Council. If funds are not appropriated, for any reason whatsoever, the Lease will automatically terminate on July 1 of the calendar year which the County does not appropriate funds. The County shall give Landlord at least thirty (30) days written notice of the lack of appropriation. The County shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.

35. CONTRACT SOLICITATION: Except for Transwestern Carey Winston, the Landlord represents that it has not retained anyone to solicit or secure this Lease from Montgomery County, Maryland, upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for bona fide employees or bona fide established, licensed commercial selling or leasing agencies maintained by Landlord for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

36. PUBLIC EMPLOYMENT: Landlord understands that unless authorized under Chapter 19A and Section 11B-52 of the Montgomery County Code 1994, as amended, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

37. WAIVER: The waiver at any time by Landlord or the County of any particular covenant or condition of this Lease shall extend to the particular case only, and for

the particular time and in the particular manner specified, and such waiver shall not be construed or understood as waiving any further or other rights of any character whatsoever.

38. RULES AND REGULATIONS: The Parties will comply with all rules and regulations now in effect, or that may hereafter be enacted by the County, State or Federal Government, insofar as the same pertains to the conduct of the County's business in the Premises.

39. MAILING NOTICES: All notices required or desired to be given hereunder by either of the Parties to the other shall be given by hand delivery or certified or registered mail. Notice deemed given five (5) days after mailing or upon receipt or refusal to accept if hand delivered. Notices to the respective parties shall be addressed as follows:

LANDLORD:

Gaitherstowne Plaza, L.L.C.
c/o First Washington
4350 East-West Highway, Suite 400
Bethesda, Maryland 20814
Tel. 301-961-3234
Fax. 301-907-4911
Fax. 240-777-6047

THE COUNTY:

Montgomery County, Maryland
Leasing Management
Division of Facilities and Services
101 Orchard Ridge Drive., 2nd Floor
Gaithersburg, Maryland 20878
Tel. 240-777-6080

40. ENVIRONMENTAL: The Parties agree to abide the by requirements of all Federal, State, County and local environmental laws and regulations.

41. MISCELLANEOUS:

A. If Landlord sells the Shopping Center or Landlord's interest therein, then the Landlord named herein shall not be liable for any obligation or liability based on or arising out of any event or condition occurring on or after the date of such sale and the new owner of the Shopping Center shall not be liable to the County for any obligations or liabilities based on or arising out of any event or condition occurring on or before the date of such sale. The County shall attorn to such purchaser and execute, acknowledge and deliver acceptable and appropriate documents submitted to the County confirming such attornment.

B. If the County is awarded a money judgment against Landlord, then recourse for satisfaction of such judgment shall be limited to execution against Landlord's estate and interest in the Shopping Center.

C. Landlord and the County hereby waive trial by jury in any action, proceeding, or counterclaim brought by either of the Parties hereto against the other on or in respect of any matter whatsoever arising out of or in any way connected with this lease, the

relationship of Landlord and the County hereunder, the County's use or occupancy of the Premises, and/or any claim of injury or damage.

D. The provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective representatives, successors and assigns. Landlord may freely and fully assign its interest hereunder.

E. Landlord and the County hereby covenant each for itself, that each has full right, power and authority to enter into this Lease upon the terms and conditions herein set forth.

F. Section headings are used for convenience and shall not be considered when construing this Lease.

G. This Lease may be executed in multiple counterparts, each of which shall be deemed an original and all of, which together shall constitute one and the same document.

[Signatures follow on next page]

IN WITNESS WHEREOF, the Parties have caused this agreement to be executed under seal on the date first written above.

WITNESS:

By: Yvonne Schuman

Date: 5/25/01

WITNESS:

By: Rebecca S. Domaruk

Date: June 5, 2001

Approved As To Form And Legality
Office Of The County Attorney

By: Gileen B. Brasner

Date: 5/22/2001

LANDLORD:

GAITHERSTOWNE PLAZA,
L.L.C.

By: Samuel G. Rose

Typed: Samuel G. Rose

Title: Authorized Member

Date: May 25, 2001

TENANT:

MONTGOMERY COUNTY

By: William M. Mooney

William M. Mooney

Assistant Chief Administrative
Officer

Date: 6/5/01

RECOMMENDED

By: J. Ronald Smith

J. Ronald Smith, Chief

Division of Facilities and
Services

Date: 5/22/01

EXHIBIT A
WORK AGREEMENT

This Work Agreement is attached to and made a part of that certain Lease dated _____, 2001 (the "Lease"), between GAITHERSTOWNE PLAZA, L.L.C., ("Landlord") and MONTGOMERY, COUNTY, MARYLAND, a body politic and corporate and a political subdivision of the State of Maryland ("County"). The Landlord and County together are the "Parties". The terms used in this Exhibit that are defined in the Lease shall have the same meanings as provided in the Lease. The Landlord, at its sole costs, shall perform the following work:

1. Relocate existing upright heads to pendant position cut to meet new ceiling height, remove and replace cross tees in grid to allow for extension, and shall be responsible for all drawings, permits, inspections and test of sprinkler system.
2. Install new interior door, location to be determined by County.
3. Install outside signage; County will furnish drawings; the cost of this item shall be reimbursed by the County to the Landlord no later than the Delivery Date.

EXHIBIT B
RULES AND REGULATIONS

1. All loading and unloading of goods shall be done through the designated loading area, at such times designated for such purposes by Landlord.
2. The delivery or shipping of merchandise, supplies and fixtures to and from the Leased Premises shall be subject to such rules and regulations as in the judgment of Landlord are necessary for the proper operation of the Shopping Center.
3. All garbage and refuse shall be kept in the kind of container specified by Landlord, and shall be placed and prepared for collection in the manner and at the times and places specified by Landlord.
4. No radio or television or any similar device shall be installed without first obtaining in each instance Landlord's consent in writing. No aerial shall be erected without, in each instance, the written consent of Landlord. Any of said items so installed without such written consent shall be subject to removal without notice at any time.
5. No loud speakers, televisions, phonographs, radios or other devices shall be used in a manner so as to be heard outside of the Premises without the prior written consent of Landlord.
6. Tenant shall keep the Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
7. Tenant shall cooperate in keeping the common areas immediately adjoining the Premises clean and free from snow, ice, dirt and rubbish and Tenant shall not place or permit any obstructions or merchandise in such areas.
8. Plumbing facilities located within the Premises shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage, or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose employees, agents or invitees shall have caused it.
9. Tenant shall use at Tenant's cost a pest extermination contractor at such intervals as Landlord may reasonably require.

10. Tenant and Tenant's employees and agents shall not solicit business in the parking or other common areas, nor shall Tenant distribute any handbills or other advertising matter in automobiles parked in the parking area or in other common areas.

11. In order to preserve adequate parking for all tenants and owners in the Shopping Center during peak hours of operation and to discourage undesirable customer traffic, Tenant agrees not to use or permit the use of any portion of the Premises as a massage parlor; "adult" book store or similar business catering to pornographic interests; amusement center or game room (including without limitation pinball and electronic game machines); bowling alley; pool hall; skating rink; bar serving alcoholic beverages (except as incident to a full kitchen restaurant operation); flea market or other operation for the sale of used goods; night club; discotheque or dance hall; hotel or other lodging facilities; offices (except as incident to a retail operation); school (including without limitation, a trade school); gun range; theater; auditorium; meeting hall or other place of assembly; any sports or entertainment facility; funeral parlor; automobile showroom; repair or service center; car wash; off track betting parlor; or industrial or warehouse space (except in connection with a retail operation).

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